

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 753 - SB 1169

March 22, 2019

**SUMMARY OF ORIGINAL BILL:** Adds a patient's residence and place of employment, if equipped to engage in telecommunications, as locations a patient may receive telehealth services. Requires health insurance entities to reimburse healthcare service providers for a telehealth originating site facility fee. Removes certain types of insurance from telehealth coverage exemption. Updates the definition of "telehealth" to include remote patient monitoring telemedicine services.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$2,370,000

Increase Federal Expenditures - \$4,382,500

Increase Local Expenditures - \$7,700\*

Other Fiscal Impact – The Division of TennCare and Benefits Administration will experience an increase in telehealth claims. Due to multiple unknown factors such as the extent of any such increase, the cost of services provided, and any realized savings from services that would have been provided in-person under current law, any additional fiscal impact on state, local and federal expenditures cannot be quantified with reasonable certainty.

IMPACT TO COMMERCE OF ORIGINAL BILL:

Increase Business Revenue - \$6,760,200

Other Commerce Impact – Due to multiple unknown factors such as the extent of any increase in utilization of telehealth services, the cost of such services, and any realized savings, any additional impact to commerce and jobs cannot be determined with reasonable certainty.

**SUMMARY OF AMENDMENT (006326):** Deletes and rewrites all language after the enacting clause such that the only substantive change is removing the provision that requires the healthcare insurer to pay an originating site facility fee.

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## **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Other Fiscal Impact – The Division of TennCare and Benefits Administration will experience an increase in telehealth claims. Due to multiple unknown factors such as the extent of any such increase, the cost of services provided, and any realized savings from services that would have been provided in-person under current law, any fiscal impact on state, local and federal expenditures cannot be quantified with reasonable certainty.**

Assumptions for the bill as amended:

- The Division of TennCare and Benefits Administration will experience an increase in telehealth claims.
- Due to multiple unknown factors such as the extent of any such increase, the cost of services provided, and any realized savings from services that would have been provided in-person under current law, any fiscal impact on state, local and federal expenditures cannot be quantified with reasonable certainty.
- Based on information provided by the Department of Commerce and Insurance (DCI), the DCI can review policy contracts and investigate complaints utilizing existing resources without an increased appropriation or a reduced reversion.

## **IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:**

**Other Commerce Impact – Due to multiple unknown factors such as the extent of any increase in utilization of telehealth services, the cost of such services, and any realized savings, any impact to commerce and jobs cannot be determined with reasonable certainty.**

Assumption for the bill as amended:

- Due to multiple unknown factors such as the extent of any increase in utilization of telehealth services, the cost of such services, and any realized savings, any impact to commerce and jobs cannot be determined with reasonable certainty.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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